CONTRACTS—WAIVER OF BREACH BY EXECUTION OF SUBSTITUTED AGREEMENT.—Plaintiff, under a construction contract with defendant entered upon the work and had incurred large expense when the defendant notified plaintiff that it would not pay the prices agreed upon. The plaintiff under protest accepted a new and less favorable contract covering the same subject matter, insisting, however, that such new contract was merely in mitigation of damages, and not a substitution for the original contract. *Held* that plaintiff could not recover for the breach of the first contract. *McCabe Const. Co.* v. *Utah Const. Co.* (D. C. Ore. 1912), 199 Fed. 976.

The court reached its conclusion by assuming that the second contract between the parties covering the same subject matter was a valid contract. Is this true? It cannot be true unless the second contract operated as a rescission of the first. Unless the first contract was rescinded there was no consideration for the second, because it was an agreement to do what the parties were already legally bound to do. The intention to discharge the original contract must clearly appear. Implication of an intention to discharge the original contract from the execution of a new agreement, even though the terms of the new agreement are inconsistent with the original, has been generally repudiated. *Endriss* v. *Belle Ice Co.*, 49 Mich. 279; *King* v. *Duluth M. & N. Ry. Co.*, 61 Minn. 482; *Goldsborough* v. *Gable*, 140 Ill. 269, 29 N. E. 722; *Eblin* v. *Miller*, 78 Ky. 371; *Lingenfelder* v. *Brewing Co.*, 103 Mo. 578, 15 S. W. 844.

CORPORATIONS—IMPLIED AUTHORITY OF GENERAL MANAGER.—The defendant corporation was engaged in the business of buying and selling farm lands and used automobiles in conveying prospective purchasers to and from the lands; its president, who was also its general manager, purchased from the plaintiff a limousine motor car, and in payment for the same gave the corporation's note, executed by himself as president. The car was used a few times in the company's business, and was used by the general manager and his wife. The purchase was neither authorized nor expressly ratified by the directors of the company, and the by-laws limited the authority of the general manager to make contracts of purchase to amounts less than $1,000. The plaintiff had no notice of the by-law. The lower court directed a verdict for the plaintiff and defendant appealed. *Held*, that the extent of the general manager's authority, the implied ratification of the purchase by the company, and the purpose for which the car was bought by the general manager were questions of fact for the jury. Reversed and remanded for a new trial. *Western Investment & Land Co.* v. *First National Bank* (Col. 1912) 128 Pac. 476.

The rule is general that no managing agent of a corporation, except the cashier of a bank, possesses implied power to bind it by issuing, accepting, or indorsing in its behalf negotiable instruments. *Baines* v. *Coos Bay Navigation Co.*, 45 Ore. 307, 77 Pac. 400; 10 CYC. 929; 3 CLARK & MARSHALL, CORP., § 700; 3 COOK, CORP. (Ed. 6), § 719. An officer having the general management of the corporate business has power to make the usual and necessary contracts reasonably incident to the corporate business; and